BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

In the Matter of)
Rural Health Care Support Mechanism) WC Docket No. 02-60
Application of Iowa Health System under the Rural Health Care Pilot Program) })

APPLICATION

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EXECUTIVE SUMMARY

Iowa Health Systems ("IHS") is seeking a grant of \$7.8 million from the FCC's Rural Health Care Pilot Program ("Pilot Program") to fund the connection of 78 health care facilities to IHS's private health care network. IHS is an Iowa-based, not-for-profit regional health care provider that meets the criteria the Commission established by the Commission in its pilot program order. As the largest health care system provider in Iowa, IHS believes that it is uniquely positioned to quickly and cost-effectively construct the rural health care network contemplated by the Commission.

IHS is not relying on the Pilot Program to construct the entire network, but intends to leverage program funds to expand the footprint of its existing network to include Iowa's rural communities. IHS has already established a privately owned, 2,170 route-mile fiber optic network which is currently being extended to serve as a backbone for healthcare entities across the region and is planning to invest its own funds, substantially more than 15% of the total project, in building and activating most of this network. IHS seeks Pilot Program funds that would enable IHS to expand the footprint of this network to include more insular health care providers.

IHS's application anticipates a one-time request for funding. IHS does not intend to rely on Pilot Program funds to support any of the operational costs associated with running the network. Instead, IHS anticipates that the network will be self sufficient, and will recoup the operational costs primarily from non-eligible (i.e., for profit) entities that access the network. Granting this Application will enable more insular health care facilities to be provided the high-speed broadband access necessary for medical data transfer and telemedicine.

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APPLICATION

I. INTRODUCTION

Iowa Health System ("IHS"), pursuant to the Commission's Order implementing the Rural Health Care Pilot Program ("Pilot Program"), hereby submits its Application seeking support under the Pilot Program to permit IHS to extend its telemedicine and data network to both affiliated and unaffiliated rural health care entities including hospitals, clinics and offices as well as other health care related entities. If granted subsidies under the Pilot Program, IHS would be able to extend its broadband network and with it, increase the level of care to multiple rural communities throughout Iowa as well as portions of Nebraska, South Dakota and Illinois.

A. About Iowa Health Systems

IHS is an Iowa-based, not-for-profit regional health care provider serving a geographically dispersed rural population in the upper Midwest. IHS is the largest healthcare system in Iowa, operates facilities in seven large Iowa communities plus Rock Island and Moline, Illinois, supports a system of rural hospitals in 14 Iowa communities and partners with

¹ In the Matter of Rural Health Care Support Mechanism, Order, WC Docket 02-60 (2006) ("Pilot Plan Order").

450 physicians and 125 clinics in more than 80 communities in Iowa, Illinois, Nebraska and South Dakota.'

B. Summary of IHS Application for Support

IHS seeks Pilot Program grant funding in the amount of \$7.8 million. These funds are to construct network access to 78 health care providers. IHS is constructing a broadband network throughout Iowa and the region, which is estimated to cost \$12.8 million, and will be used to provide access to more than 125 health care providers, typically in urban and suburban areas. IHS anticipates that it will bear the cost of construction of this portion of the network, which is approximately 39% of the overall cost of the proposed facilities. Responses to specific application requirements and details of the grant application are as included below. **As** noted above and outlined in greater detail below, the request is for support to assist IHS to complete the infrastructure to increase the footprint of its network to include more rural health care facilities within Iowa and in neighboring states. **IHS** anticipates that after initial support to expand the reach of its existing network, the network will be self-sufficient and will not require additional subsidies to offset operating expenses.

IHS has already invested in and activated a privately owned, purpose-built, 2,170 route mile, fiber optic-based network. This network is now in use for IHS's system-wide internal traffic and provides a variety of data transmission services among IHS facilities. The network is being extended to serve as the backbone for connecting potentially all health care entities across a regional footprint extending from Nebraska to Illinois.

² See, Exhibit 1: Iowa Health System Hospitals and Physician Clinics.

11. IHS'S PROPOSAL

In the Commission's *Pilot Plan Order*, the Commission stated that the goal of the Pilot Program was to facilitate the extension of broadband networks to increase the penetration of telemedicine and other broadband-dependent health related applications in rural areas.³ To evaluate whether a proposal would satisfy this aim, the Commission established **an** eleven factor test to evaluate applications. As detailed below, this Application responds to all eleven factors created by the Commission.

Through this application, IHS is applying for funds from the Pilot Program to extend broadband connectivity to as many health care providers as possible, including those not affiliated with IHS. In particular, as outlined in greater detail below, the funds would be used to extend the network to 78 rural health care providers. Without the funds, many of these rural facilities will not be connected to the network because of the costs of extending the fiber network to remotely located medical facilities. This network is comprised of (1) the dedicated backbone network being created by IHS with non-grant funding that serves urban and suburban IHS facilities; and, (2) the extensions to that network to be created with grant funds being sought under this application. As IHS is not seeking compensation for (1), IHS is bearing approximately 39 percent of the total cost of completing the broadband network facilities that are subject to this application.

IHS has made a substantial investment to establish its existing network and to prepare for the deployment of this network. The investment has created unmatched healthcare connectivity

Pilot Plan Order, at 1-2.

These **78** facilities were targeted based on their proximity to the planned backbone network.

[&]quot;HealthNet" is the working name for the project, and subject to change.

in the region and created the foundation for new services, new connections and new applications.

IHS's network now provides connectivity to more than 139 healthcare entities at up to multi-

gigabit speeds. As part of the private investment in dedicated backbone discussed above, IHS is

also planning to extend its network to Chicago and Denver for interconnection with Internet2

and/or NLR, as well a connecting to other carriers at centralized (and therefore cost efficient)

carrier hotels and Points of Presence (POP) in those locations. The extension to major

metropolitan areas will also make interconnection possible at POP's and other

collocation/regeneration points along the routes connecting endpoints in Chicago and Denver.

The heart of IHS's approach is a public/private partnership. While IHS is already

committed to providing connectivity services to health care entities that can reach its existing

network, it is also seeking to engage existing telephone companies and other USAC-eligible

service providers to extend the reach of this network. This collaborative effort will enhance the

effectiveness of the FCC pilot program grant funds by extending connectivity to rural health care

entities located in remote areas where new network construction may not be financially feasible.

Identify the organization that will be legally and financially responsible for Α. the conduct of activities supported by the fund

Iowa Health System and its affiliates (a not for profit Iowa corporation)

1200 Pleasant Street

Des Moines, IA 50309

Phone: (515) 241-6161

Fax: (515) 241-5059 Website: www.ihs.org

Contact: Jim Mormann, CIO

В. Identify the goals and objectives of the proposed network

The network is intended to serve as a foundation for healthcare services such as

telemedicine, telehealth, health records exchange, secure data exchange and storage, disaster

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recovery and coordination, plus health care related research and education. The primary goal of the network is increased, and non-discriminatory connectivity for all health care providers in the region, primarily Iowa and Western Illinois, and extending into Eastern Nebraska and Southeastern South Dakota. The purpose of this application is to build or acquire network infrastructure to create extensions to the network's backbone fiber optic network. This process contemplates new infrastructure where feasible. Where newly created infrastructure is not feasible, partnerships and/or other relationships with existing network owners (e.g., carriers) will be sought for purchase, lease or other arrangements to complete the network. These extensions will serve rural health care entities within the described region. This application is specifically seeking funds for capital expenditures for network extension. No funds are sought for the ongoing provision of services or for reimbursing IHS for investments already made. Specifically:

- Health care providers that qualify under FCC rules would benefit directly from the extension of the network by providing broadband connectivity they could not otherwise obtain in a cost-effective manner, or potentially, at all. Qualifying rural entities would share in operating expenses at a preferential rate (i.e., preferential over for-profit entities; see below).
- Health care providers that do not qualify would be allowed to connect to the network where they are willing to bear the actual cost of making the connection. In addition these users would pay a proportionate share of network operating expenses (see discussion in subparagraph D below). IHS believes these users would have a strong interest in connection because of the dedicated nature of the network and because of facilities and operational expense sharing.
- Lower costs for connectivity (and ultimately more cost efficient delivery of health care to those in rural areas) would result from economies of scale and from the use of a purpose-designed health care connectivity solution.
- All people living in the region would benefit from the increased availability of state-ofthe art health care solutions to the entire geographic region to be served.

C. Estimated network's total costs for each year

This application is solely for the creation of infrastructure extension to additional health care entities not located on or connected to the network's existing infrastructure; no funding is

sought from the Pilot Program for ongoing operational expenses or for the purchase of specific services from carriers. This application seeks funding in the first year of the Pilot Program in the amount of \$7.8 million to create essential network infrastructure to the 78 target facilities outlined in this application.⁶ IHS will fund the remaining \$5 million, approximately 39% of the total cost to construct these broadband facilities. These target facilities constitute 86% of hospital beds in region, cover 53 counties in Iowa plus additional coverage in Rock Island and Moline, Illinois. IHS plans to seek additional grant funds for the second year of the pilot program in accordance with FCC renewal instructions; such funds will be used to further extend the network to healthcare entities.⁷

D. How for-profit network participants will pay their fair share of the network costs

For-profit users of the network would to pay for their fair share of network costs, based on the assumption that proportionate use is the proper basis for allocation. For-profit users accessing network will be required to pay 100% of the capital cost of creating their connections. Where geographical and economic considerations indicate connections would be more efficiently shared with eligible users (*i.e.*, not-for-profit entities), IHS will make an allocation of capital cost based on proportion of use, and will recover such allocated amounts directly from the for-profit users.

Where connection to the network is accomplished using legacy carriers the for-profit entity seeking the connection will pay for the legacy carrier costs. This approach assures that Pilot Program funds are limited to eligible users.

See, Exhibit 3: Executive Summary and Estimated Capital Costs.

See, Exhibit 2: HealthNet Hospitals included in Funding Request.

Specific fees and fee structures will be developed based on size and type of user, bandwidth or capacity utilized, and connectivity type.

E. Identify the source of financial support and anticipated revenues that will pay for costs not covered by the fund

As noted above, IHS has funded, built and activated its own dedicated healthcare network infrastructure. This infrastructure was originally acquired with the additional dark fiber that IHS now plans to activate (,'light'') as the backbone of the "HealthNet" network. Because of IHS's initial investment in the fiber backbone infrastructure the cost for the creation and operation of the network is substantially reduced when compared to the creation of new infrastructure. IHS plans to recover costs primarily from non-eligible health care entities that access that network. IHS anticipates that it will be responsible for and pay any shortfall in operating costs using its general funding.

As noted in subparagraph D above, non-qualifying participants will pay their own connection costs, as well as a proportionate share of overall network operating costs. The funds sought in this application are solely for extending that network to reach additional eligible rural health care entities. IHS already covers the operating cost of its existing network from its on going operations.

IHS anticipates that eligible rural health care entities will make less-than-proportional contributions to operating costs for basic connectivity services. IHS anticipates that charges to non-eligible entities will offset a portion of the capital and operating costs that would normally be charged to eligible entities. Operating revenues anticipated from the grant-funded network extensions are from for-profit and other non-qualifying users of the network extensions.

F. List the health care facilities that will be included in the network

Connection to network is available to any and all of the hundreds of healthcare-related entities in the region. As noted above any healthcare entity that chooses to fund its own access to network may do so. For grant purposes, however, IHS has included in this application network extensions to 78 health care facilities. These are categorized into three types: federal government hospitals (2), non-federal government hospitals (39), and non-government, non-profit hospitals (37). Of these facilities 53 meet the Commission's definition of "rural," and 25 are urban. Details are included in Exhibit 2 of this Application. If less than the full amount sought in this application is awarded IHS will prioritize the list and provide network extensions only to the extent that grant funds are available.

G. Provide the address, zip code, Rural Urban Commuting Area (RUCA) code and phone number for each health care facility participating in the network

Please see Applicant's "Exhibit 2: HealthNet Hospitals included in the attached Funding Request" for a complete listing of this information.

H. Indicate previous experience in developing and managing telemedicine programs

IHS was created in 1995, and includes 11 hospitals in seven large communities, along with a group of 450 employed physicians and 125 clinics in 68 communities in Iowa, western Nebraska, and eastern Illinois. IHS is the first and largest integrated healthcare system in Iowa with revenues of more than \$1.8 billion in 2006. Since its inception IHS has been involved with developing and managing telemedicine and telehealth systems and has had substantial long-haul network in operation.

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⁸ Rural Health Care Support Mechanism, Second Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 19 FCC Rcd 24613,24620 (2004).

The current fiber optic based network began with the acquisition of fiber optic strands in 2005, and became fully operational in 2006. This network is one of the largest private and exclusively medical health networks of its kind.' The network is capable of handling multigigabit data transmissions and the bandwidth intensive applications often associated with advanced imaging and diagnostic services. The network has also been designed to ensure reliability and peak operational performance in the event of natural disasters or emergency situations and uses an architecture that eliminates any single point of failure by the use of multiple, geographically separate (diverse) fiber routing.

IHS is fully staffed by more than 200 professionals specializing in information technology healthcare. IHS's internal staff controls all user, security and application level software and programs operating on the network. IHS contracts with an independent company for network maintenance and connectivity requirements.

I. Provide a project management plan outlining the project's leadership and management structure, as well as its work plan, schedule, and budget

IHS will provide project leadership using its existing management structure embodied in its IT Department containing more than of 200 experienced information technology professionals. The IHS IT Department currently manages the largest private medical network in the state. IHS anticipates the continued utilization of this experience for the leadership, management and execution of this initiative.

A detailed plan including the budget and scope of the work necessary to plan and build the network is detailed in Exhibit 6.¹⁰ The scope of work for this phase is limited to planning the

See, Exhibit 4: Iowa Health System Existing Regional Fiber Backbone and Exhibit 5: Jowa Health System Existing Interstate Fiber Backbone.

See, Exhibit 6: Detailed Description of Schedule Support.

project and building certain Outside Plant (OSP) infrastructure elements necessary to provide a preliminary network for testing of design and operational parameters (the BETA network). After completion of **BETA** testing, the trigger for the operational phase will be acceptance of the network as ready for production traffic.

J. Indicate how the telemedicine program will be coordinated throughout the state or region

Since IHS is the sole applicant (and responsible party) for the grant funding, detailed program operation has not yet been fully determined. IHS envisions the network as a collaborative effort by the participating health systems, facilities, physicians and other users within the medical community. While initially organized by IHS, the network is intended to become a consortium of users each contributing unique resources and talents. The favored potential structure for the network includes "members" who in turn have representation on a larger governing committee or managing entity.

Operating / managing services for a telemedicine program utilizing the network could be handled two ways:

- By utilizing existing IHS information technology professionals who currently support IHS' coterminous fiber network throughout Iowa and extending into adjoining states, or
- By outsourcing management of the network to a qualified network operator currently engaged in similar activities within the region sought to be served.

Similarly, while IHS plans to accept responsibility for the operating costs of such telemedicine coordination, even nominal membership fees and/or usage-based fees could be used offset program administration costs.

K. Indicate to what extent the network can be self-sustaining once established

IHS is committed to providing the required capital and assuming the responsibility for the ongoing operating costs of the network. Its goal, as a not-for-profit health care provider is

embodied in its mission statement: "Improving the health & the people and communities we serve."

Over time IHS anticipates that the operating costs for the grant-funded network extensions can be recovered primarily from for-profit users of the network. Specifically, IHS will seek cost recovery for the operating expenses of the grant-funded network extensions by (1) requiring eligible health care entities to pay discounted usage fees for the category and quantity of services used, (2) requiring non-eligible entities to pay usage fees based on a reasonable allocation of the operating costs, and (3) requiring other users (e.g., pharmaceutical companies, billing companies and other health care industry-related entities) to pay value-based usage fees.

User contribution levels from lowest to highest are anticipated to be:

- 1) rural qualifying
- 2) rural non-qualifying
- 3) urban qualifying (including all non profit private enterprise)
- 4) urban for non-qualifying (including all for profit private enterprise)

IHS anticipates that the 70% of the universe of eligible users will access the network within the first five years of operation. IHS further anticipates (based on extensive economic/business modeling) that 90% of available capacity (based on the initially installed electronics) will be utilized within the first ten years of operation, and that the network will generate sufficient funds to be self-sustaining by the **fifth** year of operation.¹¹

As noted IHS is <u>not</u> seeking funding from the FCC pilot program for ongoing operational expenses. IHS has an existing backbone network already in place and operating, and IHS plans to activate additional fiber on that backbone network specifically for the Pilot Plan supported network. The Pilot Plan supported network consists of the extensions to be built with grant

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funds. Such extensions will only be created where (1) grant funds are available; (2) eligible healthcare providers are willing to use them; and (3) non-eligible (for profit) users are willing to fund their extensions and pay their fair share of operating costs. To the extent that network extensions are created in partnership with local telephone companies and other USAC-eligible carriers IHS anticipates that such collaborative efforts will reduce the overall operating costs of the network. In any event IHS anticipates that it will cover any shortfall in operating costs until the network becomes self-sustaining.

III. OTHER MATTERS

A. IHS Proposal Provides Regional Health Care Benefits

IHS is aware that many healthcare entities are planning to seek FCC funding under the pilot program. As with all applications for government support there are both competing and complimentary interests. IHS believes its application would be complimentary to other regional networks already in place and would provide connectivity in a predominantly rural region not otherwise served. The primary emphasis is on long-term connectivity, not on specific technology or products. IHS believes that this approach offers maximum flexibility, minimum risk of obsolescence and the most cost-effective use of grant funds for the greatest number of rural health care beneficiaries. IHS is committed to construct a substantial broadband network at its own expense, and believes this Application, if granted, will extend the benefits of this broadband network to more insular areas. The network is, therefore, fundamentally different and perfectly suited to be a regional foundation for healthcare, interlacing with regional networks serving other parts of the country. Specifically:

1) The network utilizes a fiber optic backbone network that is new, in place, fully operational and already in use by more than 139 healthcare facilities. IHS is ready to

- light additional fibers in that same backbone network and bring additional facilities on line at its own expense to support the Pilot Program extensions.
- 2) The backbone network (including its planned interconnection with major centers in Denver and Chicago) is already fully funded, and not dependent upon state or federal funding. The existing network is not subject to future political or funding contingencies.
- 3) IHS's network is completely private, separate and dedicated to health care. There are no other uses permitted on the system; it is intended for exclusive use by the health care community.
- 4) IHS's network is a regional, multi-state solution, ¹² offering the possibility of full integration of other, unaffiliated healthcare entities in the entire region between Chicago and Denver.
- 5) The network is managed and operated by healthcare professionals, dedicated solely to the advancement of healthcare-specific initiatives.
- 6) The network is a robust and secure fiber optic network capable of delivering multi-Gigabit connectivity using fiber optic based technology in a fully redundant configuration between facilities, and also to Internet2 and NLR.
- 7) IHS has secured the endorsement of NLR for this application.¹³
- 8) IHS has received the support of the Iowa congressional delegation.¹⁴
- 9) IHS has secured the endorsement of Iowa Telecom, which serves **435** small communities in Iowa. ¹⁵
- 10)HeathNet has secured the endorsement of Qwest, the largest of the telecom companies doing business in the entire High Plains region. ¹⁶
- 11)IHS has also secured the endorsement of the four major Insurance/Payor groups within the region, including Wellmark Blue Cross Blue Shield, Coventry Health Care of Iowa, United Healthcare and Principal Financial Group.¹⁷

See, Exhibit 5: Iowa Health System Existing Interstate Fiber Backbone.

See, Exhibit 7:NLR Letter of Support.

See, Exhibit 8: Congressional Support Letters.

See, Exhibit 9: Iowa Telecom Support Letter.

See, Exhibit 10: Qwest Letter of Support.

See, Exhibit 11: Major Insurance/Payor Groups.

B. Request for Waiver of Commission Rules

In its Pilot Program Order, the Commission contemplates the need to waive or modify its existing rules in order to implement the Pilot Program and asks applicants to identify if their proposal requires any additional waivers. IHS does not presently expect that it will require a specific waiver of Commission rules contained in Subpart G of the Commission's USF rules, but does believe additional waivers of this Subpart will be required. In addition to the specific waivers outlined below, IHS suggests that the Commission, and eventually USAC, will need to demonstrate flexibility in its ordinary operating procedures for providing support to maximize the effectiveness and efficiency of the Pilot Program.

This need for flexibility or outright waivers exists because the objectives of the Pilot Program do not perfectly fit within the existing regulations for administering the rural health care program. The existing rural health care program is focused on equalizing the cost of network services between rural and urban health care providers, while the Pilot Program addresses the need for funding new infrastructure. A number of the Commission's rules regulating selection of service providers and the reimbursement process are irrelevant to the objectives of the Pilot Program. For example, 47 U.S.C. § 54.601 limits reimbursement to "telecommunications service," and further states that such service "may not exceed the distance between the health care provider and the point farthest from that provider on the jurisdictional boundary of the largest city in a state." This rule is inapplicable to the Pilot Program, however, because many of the costs to which the grants will be applied are associated with building a network, and thus will not qualify as "telecommunications services." Moreover, the rule's limitation on the distance the service can travel, which was intended to keep the reimbursed service within state boundaries, specifically contradicts the pilot program's mandate to create a state or regional network.

The Commission Rules relating to the use of the urban and rural rates are similarly inapplicable to the goals of the pilot program. Under 47 C.F.R. §§ 54.605, 607 & 609, an applicant is entitled to reimbursement equal to the difference between the urban and rural rates for telecommunications service. Again, the rule illustrates a disconnect between the existing rules and the Pilot Program. IHS is requesting support for the cost of building a rural network, not for the cost of telecommunications service provided over that network. The existing rules would therefore prohibit IHS from using grant funds to pay for the construction of its network extensions.

Finally, while not strictly a Commission rule that requires a waiver, certain of USAC's processes for reviewing and completing payments were not designed with the goals of the Pilot Program in mind. For example, the Form 498, which is required for any service provider attempting to seek reimbursement under the program, assumes that such providers are either carriers or Internet services providers. Here, the vendors can be a wide range of companies from systems integrators, outside plant ("OSP") contractors, traditional carriers or construction companies. Similarly, Forms 466 and 466a, which govern funding requests, require applicants to submit their requests in terms of "circuits," "billed circuit miles," and "urban" versus "rural" rates. While useful in terms supporting ongoing services, these forms and metrics are inadequate to express the costs associated with constructing a network, which are better expressed in terms of labor and materials. To the extent necessary, USAC and the Commission should waive the requirement to use these Forms, or modify them to reflect the needs of the Pilot Program.

Similarly, some flexibility (but not waiver) of how competitive bids are conducted may be necessary. Certainly, the actual supported product--the construction of infrastructure to link health care providers to the network-- will be competitively bid. But, these bids should be

considered at a macro level, rather than a micro level. Such an approach will also enable the Commission to ensure that funds are allocated as efficiently as possible. For instance, to acquire network infrastructure between an urban central network point to a rural clinic can be accomplished through the purchase of existing fiber, the construction of new facilities, leasing of facilities, or any the combination thereof. IHS would propose that it be permitted to allow carriers, OSP contractors or other entities bid on some or all of the construction. So, in the hypothetical scenario, a carrier may be able to offer existing fiber for 80 percent of the route for a given price. A second carrier may have a lower price but only cover 75 percent of the route. An OSP contractor may be able to construct new fiber over some or all of the route for a higher price. The most efficient allocation of resources, while still completing the project, would be for IHS to select the lowest priced combination of purchasing existing facilities or constructing new facilities. This allocation will no doubt differ on a site by site basis: in some instances it will be required or less expensive to construct new fiber, in some instances it would cheaper to purchase existing fiber, and in still other instances long-term leases of capacity would be the most efficient allocation. **IHS** would propose to work with USAC to determine or establish operating procedures that would facilitate the most efficient use of the Pilot Program funds, and permit USAC oversight and review of the funds.

In summary, many of the rules that govern the selection and reimbursement of services under the rural health care program are not directly transferable to the goals of the Pilot Program. IHS therefore respectfully requests that the Commission either apply those rules flexibly to account for the inherent differences between the two programs, or waive the certain of those rules (or portions of them) entirely as necessary.

C. NLR/Internet2 Connectivity

IHS has been in discussions with both Internet2 and NLR. These discussions are ongoing, and have been impacted by the recently announcement by both entities of plans to merge. IHS and NLR have reached an "agreement in principle" for their relationship with plans to fully define the final terms and conditions within 90 days of the date of this application. No agreement in principle has yet been reached with Internet2, but again, because of the impending merger between the two entities, IHS is engaging in on-going discussions. IHS intends to provide interconnection at POP's in either or both Denver and Chicago using IHS own fiber connections to those locations. While it is IHS's intent to interconnect this network to NLR, this Application does not seek support for the recurring, operational expenses associated with this connection. IHS intends to self fund these costs.

D. Possible Future Expansion

For any network the value realized increases proportionately with the number and kind of connections. As noted above IHS, using non-grant funds, is planning the extension of its existing health care network to points of presence in both Chicago and Denver for the purpose of interconnecting with other carriers, providers and agencies at locations where such interconnection is common and cost effective. The effect of this extension will provide additional interconnection points approximately every 60 miles along the Chicago-Denver corridor, encompassing four, predominantly rural states. Interested health care providers may, using existing or newly created "first mile" links, connect and reach (1) each other, (2) NLR/Internet2, and (3) the Internet. IHS is not currently seeking funds for these unidentified connectors but the availability of such additional connecting points in predominantly rural areas will provide additional connectivity opportunities as the IHS health care network grows.

IV. CONCLUSION

Iowa Health System is a regional, community-based organization of physicians, hospitals, civic leaders and local volunteers who share a vision of affordable, accessible healthcare. IHS is built on a mutual understanding to translate shared knowledge and experience into a system that works to deliver healthcare services of the highest possible quality and the lowest possible cost.

The key points bearing FCC consideration are:

- IHS is the largest health care system in Iowa
- IHS is operationally successful and financially stable with almost \$2B in annual revenues
- IHS has committed to fund the extension (both capital and operating costs) of its already operating existing backbone fiber network to light additional fiber and install facilities for the creation of "HealthNet" and support the Pilot Program extensions to that network
- The network is a single-purpose network dedicated solely to healthcare
- The network is capable not only of connecting healthcare facilities in Iowa but facilities in Illinois, Nebraska, and Colorado as well
- FCC grant funds are sought solely to provide access connections to the network, thus accelerating the ability of eligible users to receive cost effective, broadband connectivity.
- This project has the endorsement of its Congressional delegation as well as the endorsement of National Lamba Rail, major healthcare-related entities and major local connectivity providers; it is the best alternative to providing connectivity to rural healthcare entities in the Midwest.

IHS believes the most important factor in the FCC's consideration of this application is that the backbone for a region-wide Health Information Network has already been fully funded and deployed.

Funds provided under this application request would create the kind of public/private partnership envisioned by the FCC, and would allow for the rapid, efficient and most cost effective expansion of rural health care in America.

Respectfully Submitted,

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List of Exhibits

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Exhibit 2	HealthNet Hospitals included in Funding Request (78 Hospitals)
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Exhibit 6	Detailed Description of Schedule Support
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Exhibit 11	Major Insurance/Payor Groups

Exhibit 1 Iowa Health System Hospitals and Physician Clinics

Exhibit 1: Iowa Health System Hospitals and Physician Clinics IOWA HEALTH Working together. Making a difference. Guttenburg 🗘 Storm Lake FINLEY Dubuque Parkersburg Cascade Grundy Center ALLEN Waterloo South Sergeant Sioux City Bluff Monticello **☆**Jefferson ST. LUKE'S Cedar Rapids Waukee METHODIST LUTHERAN TRINITY TERRACE PARK **IOWA HEALTH SYSTEM** 公 **Guthrie Center** 11 HOSPITALS IN 7 AFFILIATE COMMUNITIES Stuart 125 Physician Clinics Coal Valley And Cambridge ☆ 14 Community Network Hospitals 公 Ottumwa Creston Accredited College of Nursing and/or Allied Health Fields

Exhibit 2 HealthNet Hospitals included in Funding Request (78 Hospitals)

Exhibit 2: HealthNet Hospitals included in Funding Request (78 Hospitals)

HosDital	Address	Citv	ST	ZIP	RUCA	Telephone		
Allen HosDital	1825 Logan Avenue	Waterloo	IA	50703	1	(319)235-3941		
Belmond Medical Center	403 First Street SE	Belmond	IA	50421	7	(641)444-3223		
Broadlawns Medical Center	1801 Hickrnan Road	Des Moines	l IA	50314	1	(515)282-2200		
Buchanan County Health Center	1600 First Street East	Independence	IA	50644	7	(319) 334-6071		
Cass County Memorial Hospital								
Covenant Medical Center	3421 West Ninth Street	Waterloo	IA	50702	1	(319)272-8000		
Crawford County Memorial Hospital								
Dallas County Hospital	610 10th Street	Perry	IA I	50220	7.3	(515) 465-3547		
Decatur County Hospital	1405 NW Church Street	Leon	IA	50144	10	(641)446-4871		
Des Moines Division - VA Central Iowa Health Care System	3600 30th Street	Des Moines	IA	50310	1	(515) 699-5999		
Ellsworth Municipal Hospital	110 Rocksylvania Avenue	Iowa Falls	IA	50126	7	(641) 648-4631		
Flovd County Memorial Hospital	800 Eleventh Street	Charles City	IA	50616	7	(641) 228-6830		
Fort Madison Community Hospital								
Franklin General Hospital	1720 Central Avenue East	Hampton	IA	50441	7.4	(641)456-5000		
Genesis Medical Center, Davenport	1227 East Rusholme Street	Davenport	IA	52803	1	(563)421-1000		
Genesis Medical Center, DeWitt								
Glenwood Resource Center	711 South Vine Street	Glenwood	IA	51534	7.3	(712) 527-481 1		
Grape Community Hospital								
Great River Medical Center	1221 South Gear Avenue	West Burlington	l IA	52655	4	(319) 768-1000		
Grinnell Reoional Medical Center	210 Fourth Avenue	Grinnell	IA	50112	7	(641)236-7511		
Grundy County Memorial Hospital					,			
Guthrie County HosDital	710 North 12th Stree	Guthrie Center	IA	50115	10.4	(641) 332-2201		

Hancock County Memorial Hospital and Health Services	532 First Street NW	Britt	IA	50423	10	(641)843-5000
Henry County Health Center	407 South White Street	Mount Pleasant	IA	52641	7	(319) 385-3141
Horn Memorial Hospital	701 East Second Street	Ida Grove	IA	51445	10	(712) 364-3311
Hurnboldt County Memorial Hospital	1000 North 15th Street	Hurnboldt	IA	50548	7.4	(515) 332-4200
Independence Mental Health Institute	2277 Iowa Avenue	Independence	IA	50644	7	(319) 334-2583
Iowa City VA Medical Center	601 Highway 6 West	Iowa City	IA	52246	1	(319) 338-0581
Iowa Lutheran Hospital	700 East University Avenue	Des Moines	IA	50316	1	(515) 263-5612
Iowa Methodist Medical Center	1200 Pleasant Street	Des Moines	IA	50309	1	(515) 241-6212
Jackson County Public Hospital		-	'		•	
Jefferson County Hospital	400 Highland Avenue	Fairfield	l IA	52556	7	(641) 472-4111
Jennie Edrnundson Hospital	933 East Pierce Street	Council Bluffs	IA	51503	1	(712) 396-6000
Jones Regional Medical Center		•			•	
Keokuk Area Hospital	1600 Morgan Street	Keokuk	IA	52632	4	(319) 524-7150
Keokuk County Health Center	1312 South Stuart Street	Sigourney	IA	52591	10.5	(641) 622-2720
Knoxville Hospital & Clinics	1002 South Lincoln Street	Knoxville	IA	50138	7.3	(6411842-2151
Mahaska Hospita l	1229 'c' Avenue East	Oskaloosa	IA	52577	4	(641) 672-3100
Manning Regional Healthcare Center		,	•		•	•
Marengo Memorial Hospital	300 West May Street	Marengo	IA	52301	10.4	(319) 642-5543
Marshalltown Medical & Surgical Center	3 S Fourth Avenue	Marshalltown	IA	50158	4	(641) 754-5151
Mary Greeley Medical Center	1111 Duff Avenue	Arnes	IA	50010	4	(515) 239-2011
Mercy Hospital	800 Mercy Drive	Council Bluffs	IA	51503	1	(712) 328-5000
Mercv Hospital	201 Eighth Avenue Southeast	Oelwein	IA	50662	7.3	(319) 283-6000
Mercy Hospital - Corning	603 Rosary Drive	Corning	IA	50841	10	(641) 322-3121
Mercv Iowa City	500 East Market Street	Iowa City	IA	52245	1	(319) 339-0300

Mercy Medical Center	701 Tenth Street SE	Cedar Rapids	IA	52403	1	(319)398-6011
Mercy Medical Center - Centerville	One Saint Joseph's D	Centerville	IA	52544	7	(641) 437-4111
Mercy Medical Center - Clinton	1410 North Fourth Street	Clinton	IA	52732	4	(563) 244-5555
Mercy Medical Center - Des Moines	1111 Sixth Avenue	Des Moines	IA	5031 4	1	(515)247-3121
						•
Mercy Medical Center - North lowa	1000 Fourth Street Southwest	Mason City	IA	50401	4	(641)422-7000
Mercy Medical Center - Sioux City	801 Fifth Street	Sioux City	IA	51 102	1	(712)279-2010
Mercy Medical Center-Dyersville	1111 Third Street Southwest	Dyersville	IA	52040	7.3	(563) 875-7101
Monroe County Hospital	6580 165th Street	Albia	IA	52531	7.4	(641)932-2134
Mount Pleasant Mental Health Institute	1200 East Washington Street	Mount Pleasant	IA	52641	7	(319)385-7231
Myrtue Memorial Hospital	1213 Garfield Avenue	Harlan	IA	51537	7	(712) 755-5161
Otturnwa Regional Health Center	1001 Pennsylvania Avenue	Ottumwa	IA	52501	4	(641)684-2300
Pella Regional Health Center	404 Jefferson Street	Pella	IA	5021 9	7	(641)628-3150
Regional Medical Center	709 West Main Street	Manchester	IA	52057	7	(563)927-3232
Ringgold County Hospital	21.1 Shellway Drive	Mount Ayr	IA	50854	10	(641)464-3226
Saint Anthony Regional Hospital	31 1 South Clark Street	Carroll	IA	51401	7	(712) 792-3581
Saint Luke's Hospital	1026 'a' Avenue NE	Cedar Rapids	IA	52406	1	(319) 369-7211
Saint Luke's Regional Medical Center	2720 Stone Park Boulevard	Sioux City	IA	51104	1	(712) 279-3500
Sartori Memorial Hospital	515 College Street	Cedar Falls	IA	50613	1	(319) 268-3000
Shenandoah Medical Center	300 Pershing Avenue	Shenandoah	IA	51601	7	(712) 246-1230
Skiff Medical Center	204 North Fourth Avenue East	Newton	IA	50208	4	(641) 792-1273
Story County Medical Center	630 Sixth Street	Nevada	IA	50201	7.2	(515) 382-2111
The Finley Hospital	350 North Grandview Avenue	Dubuque	IA	52001	1	(563) 582-1881
Trinity Medical Center	500 John Deere Road	Moline	IL	61265	1	(309) 779-5000
Trinity Regional Medical Center	802 Kenyon Road	Fort Dodge	IA	50501	4	(515) 573-3101

Trinity Regional Health System	2701 Seventeenth Street	Rock Island	IL	61201	1	(309) 779-5000
Trinity Terrace Park Campus	4500 Utica Ridge Road	Bettendorf	IA	52722	1	(563) 742-5000
Unity Hospital	1518 Mulberry Avenue	Muscatine	IA	52761	4	(563) 264-9100
University of Iowa Hospitals & Clinics	200 Hawkins Drive	Iowa City	IA	52242	1	(319) 356-1616
Virginia Gay Hospital	502 North Ninth Avenue	Vinton	IA	52349	7.3	(319) 472-6200
Washington County Hospital	8 3	Washin	IA	52353	7.3	(319) 653-5481
Waverly Health Center		Waverly	IA	50677	7	(319) 352-4120

Exhibit 3 Executive Overview and Estimated Capital Costs

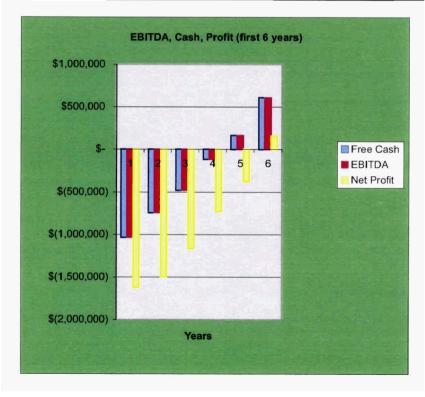
EXECUTIVE OVERVIEW - FCC - Pilot Program Exhibit

FG Investment	\$							
Other Equity	69	-	\$ 2,000,000	\$ 2,000.000	\$ 2,000,000	\$ -	93	
Total Equity	\$	-	\$ 2,000,000	\$ 4,000,000	\$ 6,000,000	\$ 6,000,000	\$	6,000,000
Total Debt	69	7,802,732	\$ -	\$ -	\$ -	\$	\$	
•								

This plan tests the financial assumptions for the First Mile portion of the HealthNet Project. Debt

794,400 | \$ 1,179,60 | \$ 1,480,800 | \$ 1,984,800 | revenues limited to certain services only. 129,000 \$ 514,800 \$ Expenses \$ 1,747,337 \$ 1,990,711 \$ 1,951,328 \$ 1,910,027 \$ 1,865,739 \$ 1,806,958

EBITDA	\$ (1,034,	198)	\$	(745,812) 5	(478,720)\$	(114.791)\$	165,631	\$	608,569
Net Income	\$	(1,618)	,33	7)\$	(1,498,78	6 \$	(1,164,62	3 \$	(730.605)\$	(376,740)\$	155,347
Ending Cash			V.				- 2						
Balance	\$	(1,143)	,724	\$	(384,756) 5	(8,882)	\$	409,947	\$	(1,124,766))\$	(2,651,637)



The model runs out to 20 years, but the financials are calculated only for the first six years.

The additional equity contributions shown in years 2008-2010 are NOT federal funds

Capita	l Plan Sur	nn	nary - N	ET	WORK			C	apital P	lan	Summ	ary	- NET	NC	DRK			W.	
Asset	Fiber	Ins	side Plant	FI	ectronics	Ne	twork Mgt Gear		gineering	The same of	SP const. Mgt		Start-up	Total		C-	ntingency		Grand
Life	20	""	7		7		7		20		10		5		rotar	١	mingency		Total
2007	\$ 5,982,893	\$	473,280	\$	478,080	\$	178,296	\$	192,474	\$	256,632	\$	128,111	\$	7,689,766	\$	112,966	\$	7,802,732
2008	\$ -	\$	-	\$		\$		\$	-	\$		\$		\$	-	\$		\$;=
2009	\$ -	\$	-	\$::=	\$	-	\$		\$	=	\$	24	\$	-	\$		\$	-
2010	\$ -	\$	-	\$	15	\$:=:	\$	-	\$		\$	9	\$	-	\$	_	\$	-
2011	\$ -	\$		\$	-	\$	-	\$	*	\$	*	\$	-	\$		\$	-	\$	-
2012	\$ -	\$	-	\$	-	\$	-	\$		\$	-	\$	9 <u>4</u>	\$	=	\$		\$	-
2013	\$ -	\$	-	\$	3 5	\$	() 	\$	₩ 0	\$	-	\$	S =	\$	-	\$	-	\$	-
2014	\$ -	\$	473,280	\$	478,080	\$	178,296	\$	34,567	\$	46,090	\$	22,593	\$	1,232,906	\$	112,966	\$	1,345,872
2015	\$ -	\$	-	\$	-	\$	124	\$	=	\$		\$	92/	\$	-	\$	-	\$	-
2016	\$ -	\$	-	\$	S=	\$,-	\$	=0	\$	-	\$	9 4 1	\$	-	\$	P#	\$	-
2017	\$ -	\$		\$	-	\$	-	\$		\$		\$	10 .0	\$	-	\$	0=	\$	_
2018	\$ -	\$		\$	24	\$	_	\$		\$	÷	\$		\$,ë	\$	5. 2	\$	-
2019	\$ -	\$	-	\$	VI	\$	-	\$	-	\$	-	\$	P.—P.	\$		\$		\$	E
2020	\$ -	\$	÷ ,	\$	9. 2	\$	25.	\$		\$	-	\$		\$	-	\$		\$	-
2021	\$ -	\$	473,280	\$	478,080	\$	178,296	\$	34,567	\$	46,090	\$	22,593	\$	1,232,906	\$	112,966	\$	1,345,872
2022	\$ -	\$	-	\$	(=	\$	-	\$	-	\$	-	\$	V <u>~</u>	\$		\$	3	\$	
2023	\$ -	\$	-	\$	25	\$	-0	\$		\$		\$	-	\$	·	\$	·	\$	-
2024	\$ -	\$	#	\$	*	\$	-	\$	¥	\$	-	\$	-	\$		\$	-	\$	-
2025	\$ -	\$	¥	\$	-	\$		\$	-	\$	14	\$	•	\$		\$	s = .	\$	-
2026	\$ -	\$	-	\$	2 - -	\$		\$	-	\$	-	\$:-	\$	(<u>*</u>	\$	-	\$	-
Totals	\$ 5,982,893	\$.	1,419,840	\$	1,434,240	\$	534,888	\$	261,608	\$	348,812	\$	173,297	\$	10,155,578	\$	338,897	\$	10,494,475

Notes: (1) The numbers above assume replacement of various items at the end of their depreciable life.

⁽²⁾ Replacement cost in the year where the amount appears is assumed to equal the original cost.

⁽³⁾Software also has annual charges, included in Op-Ex.

CAPITAL COST - BREAKDOWN - HEALTHNET TOTAL

	Pilot Program	Non-Pilot
FIBER COST		Program
IRU Fiber	\$ 2,264,752	\$ 1,863,679
Build Fiber	\$ 1,848,141	\$ 100,000
Entrances	\$ 1,870,000	\$ ⇒ /

Pile	Pilot Program Non-Pilot							
To	tals	Totals						
\$	2,264,752	\$	1,863,679					
\$	1,848,141	\$	100,000					
\$	1,870,000	\$	-					
\$	5,982,893	\$	1,963,679					

	Electronics		Spares		Setup		Installation	
Backbone	\$	1,244,320	\$	124,432	69	124,432	\$	87,102
Metro	\$	177,214	\$	17.721	\$	17,721	\$	12,405
Entrances	\$	288,241	65	28,824	69	28,824	\$	20,177
Customer Connect	\$	88,200	\$	8,820	\$	8.820	\$	6,174

_Tota	als	Totals				
\$	-	\$	1,580,286			
\$	-	\$	225,061			
\$	366,066	\$	-			
\$	112,014	\$	-			
\$	478,080	\$	1,805,347			

OTHER HARD COSTS								j
	Buildin	ngs	Insi	ide Plant	New	Sites	Mgt	Gear
Backbone	\$	100,000	\$	412,000	\$	-	\$	81,282
Metro	\$	-	\$	15,200	\$	-	\$	13,110
Entrances	\$	-	\$	473,280	\$	10 m	\$	178,296

Tota	als	Tot	als
\$		\$	593,282
\$	-	\$	28,310
\$	651,576	\$	-
\$	651,576	\$	621,592

Backbone	\$ 217,357
Metro	\$ 25,337
Entrances	\$ 101,764
Customer Connect	\$ 11,201

Tota	als	Tot	als
\$		\$	217,357
\$	-	\$	25,337
\$	101,764	\$	-
\$	11,201	\$	
\$	112,965	\$	242,694

OTHER SOFT COSTS	Eng	ineering	OS Co	P nstruction	Sta	atup
Backbone	\$	110,973	\$	147,964	\$	73,982
Metro	\$	9,476	\$	12,634	\$	6,317
IRU Fiber	\$	50,207	\$	64,158	\$	32,028
Build Fiber	\$	60,040	\$	79,556	\$	39,714
Entrances	\$	85,278	\$	112,918	\$	53,319

Tota	als	Tot	als
\$	-	\$	332,919
\$	•	\$	28,427
*	146,393	\$	9
*	179,310	\$	8
\$	251,515	\$	
\$	577,218	\$	361,346

	Pilo	t Program	No	n-Pilot
TOTAL PROJECT COST BY CATEGORY	\$	7,802,732	\$	4,994,658
TOTAL PROJECT COST			\$	12,797,390

NOTE: All data is based on commercial experience gained in prior projects and related to discussions with vendors, carriers and other experienced entities. **TOTAL PROJECT COST does not include any amounts already expended by IHS on its existing backbone fiber network.**

Exhibit 4 Iowa Health System Existing Regional Fiber Backbone

Exhibit 4: Iowa Health System Existing Regional Fiber Backbone

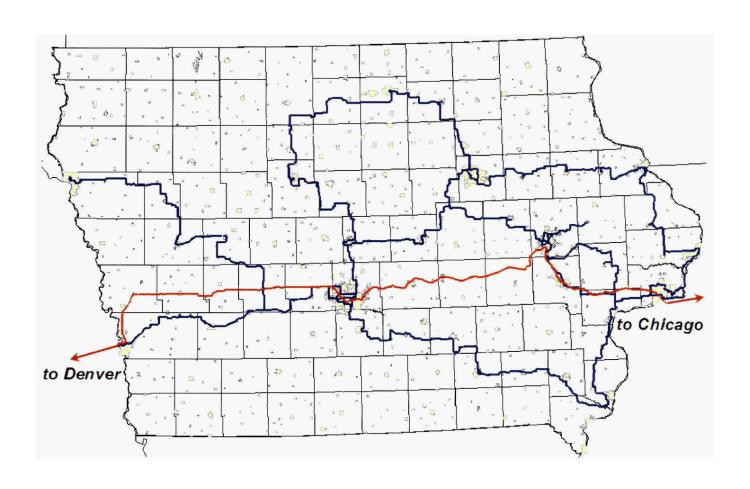


Exhibit 5 Iowa Health System Existing Interstate Fiber Backbone

Exhibit 5:
Iowa Health System Existing Interstate Fiber Backbone

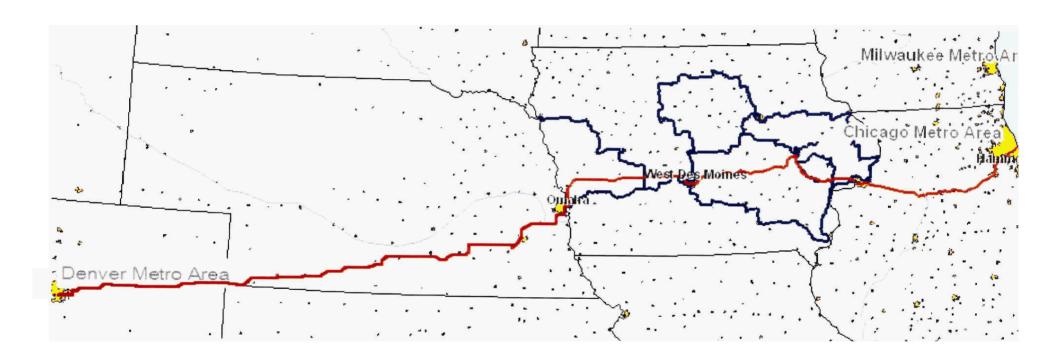


Exhibit 6

Detailed Description of Schedule Support

Scope of Work

Included in this document are the major task headings, project deliverables, estimated target dates*, resource requirements, and budgetary estimates to complete this project to extend HealthNet access. The work is divided into the following major sub-divisions:

- I. Dark Fiber Acquisition & Acceptance
- II. Outside Plant Engineering & Construction
- III. Equipment Configuration & Installation
- IV. Operational Testing & Acceptance
- V. Management Systems Deployment
- VI. Traffic Migration

Project Approach

The MS-funded portion of HealthNet is somewhat dependent on the location and detail of the extensions for which grant funding is being sought. For clarity purposes, and to illustrate the commitment already being made by IHS, the project phases listed below include the entire network creation process including IHS-funded work and illustrate the detailed work tasks and deliverables associated with each project phase. In addition to the stated deliverables for each sub-division, detailed network documentation will be concurrently created with task completion. This documentation will be managed using network inventory and management systems as appropriate.

Network Deployment Phases

This project is divided into deployment phases with the major work sub divisions required for each deployment. The following phases are defined: **Estimated Start Date**

Plan Phase (Planning and Preparation – IHS funded)	2Q '07
Phase I (Interstate Backbone Deployment - MS funded)	3Q '07
Phase II (Regional Backbone Deployment - MS Funded)	4Q '07
Phase III (Extended Access to HealthNet; this funding request)	10 'OS

Phase III – Extending Access to Healthnet

For illustrative purposes in this application a start date of **09/07** is assumed based on **funding approval.** If FCC approval occurs at a later date, the intevals would be similar, but the target date would change. The following dates are based on this illustrative September, **2007** approval and starting date and show critical milestones and decision points in this project:

^{*} HealthNet is a working title for this project, subject to change.

 Key Milestones FCC Funding Approval		Target Date 09/15/07 11/30/07 11/30/08 02/15/08 03/01/08 . 04/01/08
Per Hospital Location 1. OSP Engineering	Start Date Start Date Start Date Start Date Start Date Start Date Start Date	+45 Days +45 Days +60 Days +75 Days +90 Days

Project Sub-Divisions

I. Dark Fiber Acquisition & Acceptance

Dark fiber acquisition follows a predefined process of fiber selection, negotiation, and contract signatures. Formal acceptance of the dark fiber occurs within 21 days of the final testing (OTDR readings). At that time, a "true-up" of estimated fiber route miles and actual fiber route miles will be done based on the final OTDR readings.

Tasks and Deliverables

	Tasks	DELIVERABLES
. 1	Dark Fiber Acquisitio	
I.	Select Optimal Fiber Routes	
2.	Negotiate Acquisition Terms & Conditions	 Dark Fiber Purchase Agreement
_3.	Sign Contracts	
II.	Dark Fiber Acceptance	
4.	Verify final OTDR readings	
5.	Receive electronic fiber detail	 Dark Fiber Acceptance Documents
6.	Formally accept dark fiber assets	

11. OSP Engineering & Construction

Certain support facilities such as collocation space, new location huts, and other infrastructure must be constructed as preliminaries to finalizing network design. For example, the carrier collocations must be prepared according to test fiber distances and acceptable –db loss values for each fiber strand. Once determined, there may be a need to build new locations to meet operational performance criteria. The OSP division of the project is, therefore, an iterative process requiring repetition until all the required OSP facilities are complete.

Tasks and Deliverables (Per Hospital)

	DELIVERABLES
I. Fiber Overbuilds	
1. Develop Overbuild Plan	
2. Engage Construction Contractors	Access Fiber Overbuild Plan
3. Create the OSP Engineering Details	
II. Fiber Construction	
1. Location Negotiation	
2. Landlord Lease Agreement	
3. Create Construction Packages	
4. Secure ROW/permits	Landlord Lease Agreements
5. Purchase Infrastructure	Construction Packages (with Bill of
6. Install Infrastructure	Materials) and estimated costs
7. Splice Network	,
8. Inspect Location	
9. Create "as built" System Records	
III. HealthNet Locations (Hospitals)	
1. Inspect location	
2. Create "Make Ready" plans	Construction Packages (with Bill of
3. Review Location plan	Materials) and estimated costs
4. Purchase & Install infrastructure	Rack Drawings
5. Create "as built" documentation	

III. Equipment Configuration & Installation

The equipment configuration & installation sub-division covers the design, configuration, testing and installation of the equipment for HealthNet.

Tasks and Deliverables

TASKS	DELIVERABLES
Design Network	
1. Create network requirements document	
2. Push to vendor	Network Reauirements Document
3. Review vendor solution	
II. Finalize Network Design	
1. Finalize network design	Final Network Design
2. Create Bill of Materials	Vendor Equipment BOM
III. Vendor Negotiation	
1. Negotiate equipment deal	a Familian and Providence Outland
2. Order equipment	Equipment Purchase Order
IV. Equipment Configuration	
1. Configure Equipment (install optics, label	
jumpers, etc.)	• Fi
2. Burn in optics/power supply in lab	Equipment Configurations
3. Configure logical VLANs	

1 Configure Network Mamt Canability	
4. Configure Network Mgmt Capability	
V. Equipment Installation	
1. Deploy and Install in Field	As Built Documentation
2. Create "As Built" Documentation	As Built Documentation
VI. Layer 2 System Test	
1. Confirm RSTP Domains	
2. Test Layer 2 Network	Layer 2 Network Test Plan
3. Review Performance	• Layer 2 Network Test Flair
4. "Ready To Serve" Status	
VII. Integration Test	
1. Connect Laver 3 Network	
2. Perform Integration Testing	Integration Test Plan
3. Review Performance	Integration Test Plan
4. "Production" Status	

IV. Operational Testing & Acceptance

Because portions of the network will become operational before overall project completion, early and continuous preparation for network operations is essential. The tasks in this sub-division are designed to provide the operational framework for the network designed. The goal of these deliverables is to provide control and operational efficiency when the network traffic migration begins.

Tasks and Deliverables

TASKS DELIVERABLES	
T 0: 1 1 D 1	
I. Standards Development	
1. "Naming standards (locations, equip, etc.)"	
2. In Band Network definition • Naming Standards Document	
3. Out of band Network definition	
II. Vendor Management SLAs	
Organize vendor training	
2. Negotiate vendor support • Vendor SLA Documents	
3. Create Vendor SLAs	
III. Network Mgmt Requirements	
Define Equipment models FCAPS Requirements Document	
2. Create FCAPS Requirements	
IV. Service Level Requirements	
Define MACs process MACs Process Flow	
2. Define Provisioning Procedures • Provisioning Process Document	
V. Trouble Mgmt Requirements	
1. Gather location points of contact	
Define contact procedures Document - Trouble Mgmt Requirements - Document	
3. Create Trouble Mgmt Requirements	
VI. Customer SLA Development	
Define Service level definitions Customer SLA Draft	
2. Create Service Level Agreements	

3. Negotiate Service Level Agreements	
VII. NOC Development	
1. Staffing plan	NOC Standard Operating
2. Create Standard Operating procedures	Procedures

Tasks and Deliverables

sks and Deliverables	_
TASKS	
I. OSS Architecture Planning	
1. Create Systems Framework Design	OSS Architecture Document
II. GIS Deployment	
I. Purchase hardware	
2. Purchase software	
3. Deploy system	GIS Customer Interface
4. Implement land base	GIS Customer interface
5. Migrate production data	
6. Review OSP Mgint Capability	
III. Network Mgmt Systems Deployment	
1. Create mgmt systems plan	
2. Purchase hardware	
3. Purchase softwarc	
4. Deploy system	Network Mgmt Customer Interface
5. Implement Equipment Models	
6. Load production data	
7. Review Network Mgmt Capability	
IV. Provisioning Systems Deployment	
1. Create provisioning systems plan	
2. Purchase hardware	
3. Purchase software	
4. Deploy system	Provisioning Customer Interface
5. Configure System	
6. Load production data	
7. Review Provisioning System Capability	
V. Trouble Mgmt Systems Deployment	_
I. Create mgmt systems plan	
2. Purchase hardware	
3. Purchase software	Trouble Mgmt Customer Interface
4. Deploy system	
5. Configure System	
6. Load production data	

7. Review Trouble Mgmt Capability	
VI. SLA Mgmt Systems Deployment	
1. Create mgmt systems plan	
2. Purchase hardware	
3. Purchase software	
4. Deploy system	SLA Mgmt Customer Interface
5. Configure System	
6. Load production data	
7. Review SLA Mgmt Capability	

VI. Traffic Migration

Network availability in each location will be in accordance with project priorities in the implementation schedule. IHS will be responsible for the timing, circuit priorities, and decisions regarding the traffic migration to HealthNet.

Tasks and Deliverables

TASKS	DELIVERABLES
* Migration Planning	
1. Coordinate traffic migration schedule	Traffic Migration Schedule
II. Schedule Maintenance Window	
1. Schedule Traffic "Cut-over"	Traffic Cut-over
2. Perform Traffic Migration	• Hame Cut-over

Capital Costs Budgetary Assumptions

Capital costs include only those expenditures needed extend HealthNet to the above-designated healthcare entities. Specifically, these arc the costs to acquire connectivity, buy electronic equipment and make the physical improvements needed to prepare the network for operation. Acquisition of connectivity from other carriers (including long-term leases) is also classified as part of Capital Costs.

TOTAL PROJECT......\$7.8M

Exhibit 7 NLR Letter of Support



5757 Plaza Drive. Suite 205 · Cypress, California 90630-5029 · ph 714.220.3440 · fx 71.4.220.3409 · www.nlr.net

Date: April 3,2007

To: Federal Communications Commission

Re: Support for Iowa Health System application – FCC rural health care pilot program

As CEO of National Lambda Rail, I strongly support the lowa Health System ("IHS") application for grant funds from the FCC rural health care pilot program. Having been briefed on the preliminary grant request, I find the Iowa Health System proposal to be unique, effective and visionary in its approach to establish a multi-state, integrated Regional Health Information Organization. With several million dollars already invested by IHS, additional federal funding allows for the rapid expansion of an already successful initiative. Furthermore, this creates the type of public-private partnership needed to advance medical information technology in an extremely cost effective manner.

Iowa Health System is an Iowa-based, not-for-profit regional health care provider serving a rapidly aging and geographically dispersed rural population in the upper Midwest, supports a system of hospitals in **14** Iowa communities and partners with physicians and clinics in more than 80 communities in Iowa, Illinois, Nebraska and South Dakota.

IHS is unique because it has already invested in and activated a region-wide, purpose-built, 2,170 route mile, fiber optic-based network, and is in strategic level discussions with NLR **to** interface networks for healthcare related research, education and services. IHS' network already provides connectivity to more than **124** healthcare entities (hospitals and clinics) at up to multigigabit speeds.

IHS is applying for grant funds from the FCC's rural health care pilot program to extend this connectivity to as many healthcare providers and related entities (payers, government agencies, etc) as possible. IHS is also planning to invest additional funds (not part of its grant application) to extend its network to Chicago and Denver for interconnection with National Lambda Rail, as well a connecting to major carriers at centralized (and therefore cost efficient) carrier hotels and Points of Presence (POP) in those locations. Additionally, this creates the backbone for a five state regional, and exclusively medical, health information network

The application presented by Iowa Health System shows the leadership, the value and the commitment already in place. Approval of their application will provide a unique opportunity to

demonstrate the value of public/private partnerships to support the re-vitalization of health care for all citizens.

I strongly support IHS'application, and believe it is the best available alternative for the upper Midwest region, integrating this predominantly rural area into the national healthcare network.

Sincerely,

Thomas W. West, CEO

National Lambda Rail

Exhibit 8 Congressional Support Letters

REPLY TO:

- 135 Hart Senate Office Bulloting
 Washengton, DC 20510-1501
 [202] 224-3744
 TTY: [202] 224-4478
 e-mail: chuck__grassley@grassley.senate.gov
- 771 Federal Building 210 Walnut Street Des Moines, IA 50309-2140 (515) 288-1145
- 206 FEDERAL BUILDING 101 1ST STREET SE CEDAR RAPIDS, IA 52401–1227 (319) 363–6632

United States Senate

CHARLES E, GRASSLEY
WASHINGTON, DC 20510-1501

March 13, 2007

| REPLY TO: | 103 FEDERAL COURTHOUSE BUILDING 320 674 STREET SIOUX CITY, IA 51101—1244 (7121 233—1860 | 210 WATERLOO BUILDING 531 COMMERCIAL STREET WATERLOO, IA 50701—5497 (319) 232—6657 | 131 WEST 3RD STREET SUITE 180 DAVENPORT, IA 52801—1419 (563) 322—4331 | 307 FEDERAL BUILDING

8 SOUTH 6TH STREET COUNCIL BLUFFS, IA 51501-4204 (712) 322-7103

Ms. Sabra K. Rosener Director of Government Relations Iowa Health System 1515 Linden Street, Suite 100 Des Moines, Iowa 50309

Dear Ms. Roseners

I have contacted the Federal Communications Commission expressing my support for the Rural Health Care Pilot Program application submitted by Iowa Wealth System, I asked that it be given all due consideration. When I receive a reaponse from the Federal Communications Commission, I will relay the necessary information to you.

Thank you for allowing me to be of assistance to you. If you have any further questions regarding this, or any other federal matter, please do not hesitate to contact me again.

Sincerely,

Charles E. Grassley

United States Senator

CEG/sk

Committee Assignments:

BUDGET JUDICIARY AGRICULTURE

PRINTED ON RECYCLED PAPER

CO-CHAIRMAN, INTERNATIONAL NARCOTICS CONTROL CAUCUS

RANKING MEMBER, FINANCE United States Senate

WASHINGTON. DC 20510-1502

(202) 224–3254 Fax: (202) 224–9369 TTY (202) 224–4633 http://harkin.senate.gov

COMMITTEES: AGRICULTURE

APPROPRIATIONS
HEALTH, EDUCATION.
LABOR, AND PENSIONS

SMALL BUSINESS

May 7,2007

Mr. Kevin J. Martin Chairman, Federal Communications *Commission* **445** 12th Street SW Washington, DC **20554**

Re: Support for Iowa Health System application . FC'C Rural Health ('arc Pilot Program

Dear Chairman Martin:

I am writing in support of Iowa Health System's application for the Rural Health Care Pilot Program. Iowa Health System is an Iowa-based, not-for-profit health care provider serving a geographically diverse rural population across Iowa and portions of western Illinois. IHS is the largest healthcare system in Iowa; its hospitals, clinics, and community network serve 25% of the population, cover 27% of the Iowa's hospital beds and 68 communities.

IHS is unique because it has already invested in and activated a 2,170 route mile fiber optic based network to serve as the backbone for connecting its health care facilities. IHS is applying for grant funds from the FCC's mal health care pilot program to extend the reach of its connectivity to as many community health care providers as possible, including those not affiliated with IHS.

support MS' application for the following reasons:

- (1 IHS has taken a strong leadership position to accomplish the same goals outlined by the federal initiative and has already invested \$16 million of its own Funds.
- (2) IHS is asking the FCC to extend the reach of its existing private sector initiative, to provide "last mils" connectivity to as many rural health care entities as funds will permit.
 - IHS is focused on a public private partnership to increase the quality and availability of health cars to predominantly rural areas.
 - II IS is willing to make its backbone network available to all health cart related entities in its geographic region
 - The project will improve the quality of care, enable the availability of enhanced telehealth and telemedicine technologies, and will assure rural residents and communities have the same benefits as metropolitan markets
 - The project will stabilize and enhance the economic vitality of rural America by reducing the "distance disadvantage." for health care and other services.

The US healthcare system is vast, complex and disorganized. Heath care cost containment and access **is** recognized **as** a top national domestic issue by the federal government. The consensus also **is** *that* future health care technologies **will** place a large demand on information networks. The FCC's Rural Health **Care** Pilot Program is designed to address those **issues**.

I believe Iowa Health System's project fulfills the vision of the program and I support it.

Sincerely,

TOM HARKIN

United States Senator

LEONARD L. BOSWELL

1427 LONGWORTH HOUSE OFFICE BUILDING (202) 225-3806

> 300 EAST LOCUST STREET SUITE 320 DES MOINES, IA 50309 (515) 282-1909 TOLL FREE IOWA NUMBER 1-888-432-1984

http://boswell.house.gov

Congress of the United States House of Representatives

Washington, DC 20515-1503 April 25,2007

COMMITTEES AGRICULTURE SUBCOMMITTEE ON GENERAL FARM COMMODITIES AND RISK MANAGEMENT

> SUBCOMMITTEE ON LIVESTOCK AND HORTICULTURE

TRANSPORTATION AND

INFRASTRUCTURE SUBCOMMITTEE ON AVIATION

SUBCOMMITTEE ON RAILBOADS PERMANENT SELECT COMMITTEE

ON INTELLIGENCE SUBCOMMITTEE ON TERRORISM, HUMAN INTELLIGENCE, ANALYSIS AND COUNTERINTELLIGENCE

Commission's Secretary Office of the Secretary Federal Communications System 9300 East Hampton Drive Capital Heights, MD 20743

Dear Sir:

WC Docket No. 02-60 Ret

> Support for Iowa Health System's Application FCC Rural Health Care Pilot Program

I am writing in support for Iowa Health System's (IHS) application through the Federal Communication Commission's rural health care pilot program. IHS is the largest health care system in Iowa. They are a not-for-profit health care provider serving a geographically dispersed rural population across Iowa and portions of western Illinois.

These funds would help extend IHS connectivity to many community health care providers, including those not affiliated with IHS. They have already invested over \$16 million of their own funds and activated a 2,170 mile fiber optic based network to serve as the backbone to connect all of its health care facilities. These funds would also improve the quality of care, enable the availability of enhanced telehealth and telemedicine technologies, and will allow rural residents and communities to have the same benefits as metropolitan markets. The project would stabilize and enhance the economic vitality of rural America by reducing the "distance disadvantage" for health care and other services.

The application presented by Iowa Health System shows the leadership, the value and the commitmentalready in place. Approval of their application will provide a unique opportunity for a flagship project to demonstrate the value of the FCC's rural health care pilot program for health care across America and for Iowans.

Forwall Boswell

Leonard L. Boswell Member of Congress BRUCE L. BRALEY
1st district. lowa
Member-elect

Congress of the United States

House of Representatives Washington, DC 20515

April 24, 2007

Commission's Secretary
Office of the Secretary
Federal Communications System
236 Massachusetts Avenue NE Suite 110
Washington DC 20002

Dear Commission's Secretary,

I am writing to express my support for a grant application submitted by Iowa Health System. Iowa Health System is an Iowa-based, not-for-profit health care provider serving a geographically dispersed rural population across Iowa and portions of western Illinois. IHS is the largest healthcare system in Iowa; its hospitals, clinics, and community network serve 25% of the population, cover 27% of the Iowa's hospital beds and 68 communities.

IHS **is** unique because it has already invested in and activated a 2,170 route **mile** fiber optic based network to serve as the backbone for connecting its health care facilities. IHS is applying for grant funds from **the FCC's** rural health care pilot program to extend the reach of its connectivity to as many community health care providers **as** possible, including those *not* affiliated with IHS.

I strongly support IHS' application *for* the following reasons:

- (1) IHS has taken a strong leadership position to accomplish the same goals outlined by the federal initiative and has already invested \$16 million of its own funds.
- (2) IHS is asking the FCC to extend the reach of its existing private sector initiative, to provide "last mile" connectivity to as many rural health care entities as funds will permit.
- (3) IHS is focused on a public/private partnership to increase the quality and availability of health care to predominantly rural areas.
- (4) IHS is willing to make its backbone network available to all health care related entities in its geographic region.

Congress of the United States

House of Representatives Washington, DC 20515

- (5) The project will improve the quality of care, enable the availability of enhanced telehealth and telemedicine technologies, and will assure rural residents and communities have the same benefits as metropolitan markets.
- (6) The project will stabilize and enhance the economic vitality of rural America by reducing the "distance disadvantage" for health care and other services.

The **US** healthcare system is vast, complex and disorganized. Heath care cost containment and access is recognized as a top national domestic issue by the federal government. The consensus also is that future health care technologies will place a large demand on information networks.

The FCC's Rural Health Care Pilot Program is designed to address those issues. The application presented by lowa Health System shows the leadership, the value and the commitment already in place. Approval σ their application will provide a unique opportunity for a flagship project to demonstrate the value of the FCC program for health care across America.

I hope you will give every consideration to this project. Please direct any correspondence regarding this matter to my grants office in Waterloo. Thank you for this opportunity to express my views.

Sincerely

Bruce Braley

bb/ke



CONGRESS OF THE UNITED STATES

March 14.2007

TOM LATHAM Congressman 4th District, Iowa Kevin J. Martin chairman Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: WC Docket No. 02-60

Dear chairman Martin:

Iowa Health System is an Iowa-based, not-for-profit health care provider serving a geographically dispersed rural population across Iowa and portions of western Illinois. IHS is the largest healthcare system in Iowa; its hospitals, clinics, and community network serve 25% of the population, cover 27% of the Iowa's hospital beds and 68 communities.

IHS is unique because it has already invested in and activated a 2,170 route mile fiber optic based network to serve as the backbone for connecting its health care facilities. IHS is applying for grant funds from the FCC's rural health care pilot program to extend the reach of its connectivity to as many community health care providers as possible, including those not affiliated with IHS.

I strongly support IHS' application for tha following reasons:

Washington Office: 2447 Raybum Building Washington, DC 20515 202-225-5476 202-225-3301 Fax 1-866-428-5642 Toll Free

Ames Office: 141South Bell Avenue, Suite 108A Ames, Iowa 50010 515-232-2885 515-232-2844 Fax

Clear Lake/Mason City Office: 812 Hwy 18 East P.O. Box 532 Clear Lake, lowa 50428 641-357-5226 641-357-5226 Fex

Fort Dodge Office: 1426 Control Avenue, Suite A Fort Dodge, Jown 50501 515-573-2738 515-576-7141 Fex

Email: tom.latham@nail.house.gov Internet: www.house.gov/latham

- (1) IHS has taken a strong leadership position to accomplish the same goals outlined by the federal initiative and has already invested \$16 million of its own funds.
- (2) IHS is asking the FCC to extend the reach of its existing private sector initiative, to provide "last mile" cornectivity to as many rural health care entities as funds will permit.
- (3) IHS is focused on a public/private partnership to increase the quality and availability of health care to predominantly rural areas.
- (4) IHS is willing to make its backbone network available to all health care relatedentities in its geographic region.
- (5) The project will improve the quality of care, enable the availability of enhanced telehealth and telemedicine technologies, and will assure rural residents and communities have the same benefits as metropolitan markets.

(6) The project will stabilize and enhance the economic vitality of rural America by reducing the "distance disadvantage" for health care and other services.

Heath care cost containment and access is recognized as a top national domestic issue by the federal government. The consensus also is that future health care technologies will place a large demand on information networks.

The FCC's Rural Health Care Pilot Program is designed to address those issues. The application presented by Iowa Health System shows the leadership, the value and the commitment already in place. Approval of their application will provide a unique opportunity for a flagship project to demonstrate the value of the FCC program for health care across America.

Sincerely,

Tom Latham

Member of Congress

TL/jp

CC:

Jeremy Marcus Thomas Buckley Erika Olsen DAVID LOEBSACK 2ND DISTRICT JOWA

COMMITTEES
ARMED SERVICES
BUBCOMMITTEES
STRATEGIC FORCES
READINESS

EDUCATION AND LABOR SUBCOMMITTES HEALTH, EMPLOYMENT, LABOR, AND PENSIONS EARLY CHARDHOOD, ELEMENTARILY

EARLY CHILDHOOD, ELEMENTARY AND SECONDARY EDUCATION Congress of the United States

House of Representatives Washington, DC 20515—1502

March 13,2007

WASHINGTON OFFICE: 1513 LONGWORTH HOUSE ÖFFICE BUILDING WASHINGTON, DC 20515 (202) 225–6576

DISTRICT OFFICES:

125 SOUTH DUBUQUE STREET IOWA CITY, IA 52240 (319) 351-0769

150 1st Avenue NE Sure 375 Cedar Rapids, IA 52401 (319) 364-2288 1 (868) 914-IOWA

Commission's Secretary
Office of the Secretary
Federal Communications System
445 12th Street, SW
Washington, DC 20554

To Whom It May Concern:

I write in support of the Federal Communications Commission (FCC) Rural Health Care Pilot Program grant application submitted by Iowa Health System of Des Moines, Iowa.

lowa Health **System (INS) is** an Iowa-based, not-for-profit health **care** provider **serving** a geographically dispersed rural **population across** Iowa **and** portions of western Illinois. They **are** the largest healthcare system in Iowa; its hospitals, clinics, and community network **serve** 25% of the population. **cover 27%** of the **Iowa's** hospital beds and 68 **communities. IHS** is unique because it has already invested in and activated a 2,170 route mile fiber optic based network to serve as the backbone for connecting its health care facilities.

The purpose of the grant funding is to **extend the** reach of its connectivity to **as** many community health care providers **as** possible, including those not affiliated with IHS. Iowa Health **System** has taken a strong leadership position to accomplish the **same** goals outlined by the federal initiative and **has** already invested \$16 million of its own funds. The project will improve the quality of cope, enable the availability of enhanced telehealth and telemedicine technologies, and will assure rural residents and communities have the same benefits as metropolitan markets. The project will also stabilize and enhance the economic vitality of rural America by reducing the "distance disadvantage" for health care and other services.

Far these many reasons, I support the Iowa Health System grant application. Thank you in advance For your consideration of this project.

Sincerely, Sure Labsack

David Loebsack Member of Congress

DL:rs

Congress of the United States

House of Representatives Washington, DC 20515-1505.



May 2, 2007

Mr. Kevin J Martin, Chairman Federal Communications Commission 445 12th Street, SW Washington, D.C. 20002



RE: WC Docket No. 02-60 / Support for Iowa Health System application – FCC rural health care pilot program

Dear Chairman Martin.

lowa Health System ("IHS") is an lowa-based, not-for-profit health care provider serving a geographically dispersed rural population across Iowa and portions of western Illinois. IHS is the largest healthcare system in Iowa. Its hospitals, clinics, and community network serve 25% of the population, cover 27% of the Iowa hospital beds and 68 communities.

IHS is unique because it has already invested in and activated a 2,170 route mile fiber optic based network to serve as the backbone for connecting its health care facilities. IHS is applying for grant funds from the FCC's rural health care pilot program to extend the reach of its connectivity to as many community health care providers as possible, including those not affiliated with IHS.

I support IHS' application for the following reasons:

- IHS has taken a strong leadership position to accomplish the same goals outlined by the federal initiative and has already invested \$16 million of its own funds.
- (2) IHS is asking the FCC to extend the reach of its existing private sector initiative, to provide "last mile" connectivity to as many rural health care entities as funds will permit.
- (3) IHS is focused on a public/private partnership to increase the quality and availability of health care to predominantly rural areas.
- (4) IHS is willing to make its backbone network available to all health care related entities in its geographic region.
- (5) The project will improve the quality of care, enable the availability of enhanced telehealth and telemedicine technologies, and will assure rural residents and communities have the same benefits as metropolitan markets.
- (6) The project will stabilize and enhance the economic vitality of rural America by reducing the "distance disadvantage" for health care and other services.

The US healthcare system is vast, complex and disorganized. Health care cost containment and access is recognized as a top national domestic issue by the federal government. The consensus also is that future health care technologies will place a large demand on information networks.

The FCC's Rural Health Care Pilot Program is designed to address those issues. The application presented by Iowa Health System shows the leadership, the value and the commitment already in place Approval of their application would provide a unique opportunity for a flagship project to demonstrate the value of the FCC program for health care across America.



Cc: Jeremy Marcus Cc: Thomas Buckley Cc: Erika Olsen Cc: Sabra Rosener

Exhibit 9 Iowa Telecom Support Letter



KOWA TELECOM

115 S Second Avenue West
Newton Iowa 50208-1046
Office (641) 787-2677
Fax (641) 787-2468
E-Mat AlanWells@lowaTelecom corn

Alan L. Wells

President & Chief Executive Officer

April 19th, 2007

To Whom It May Concern:

As the CEO of Iowa's second largest telephone company, I understand the importance of efficient, robust and affordable communications access, especially for rural customers. We serve 435 rural communities in Iowa, and we're committed to improving rural communications and rural communities.

Iowa Health System shares our vision for a better Iowa, and has launched an exciting new initiative that will help improve quality and reduce costs for healthcare delivery for all Iowans. *HealthNet* is a regional health information organization, with a network that links rural Iowa hospitals, clinics and other organizations within the medical community. This private, secure medical network will foster the rapid advancement of important medical information technologies and tele-health initiatives across the state.

We believe in the vision, goals and benefits of *HealthNet* and look forward to working with Iowa Health System to make this vision a reality. By partnering with Iowa Health System and *HealthNet*, Iowa Telecom will help build the future of advanced healthcare delivery in Iowa. We encourage others to support and promote this most important initiative, and hope that you will join us in making Iowa an even better place to live.

Best Regards,

Alan L. Wells

Exhibit 10 Qwest Letter of Support



925 High Street, 9 South of 9 Des Moines, IA 50309 Phone 515-286-7842 Fax 515-286-8007

Max Phillips President-lowa

Kevin J. Martin, Chairman Federal Communications Commission 445 – 12th Street **SW** Washington, DC 20554

April 30,2007

To Whom it May Concern.

As the State President of lowa's largest telephone company, I understand the importance of efficient, robust and affordable communications access, especially for rural customers. Qwest is a premier provider of full-service voice, video and data services for people at work, home and on the move. Across America and across the world, our innovative offerings evolve to meet customers' ever changing communications and entertainment needs.

lowa Health System is changing to meet the growing communication needs of their constituents as well. *HealthNet* is a regional health information organization, with a network that links rural lowa hospitals, clinics and other organizations within the medical community. This private, secure medical network will foster the rapid advancement of important medical information technologies and tele-health initiatives across the **state**. By improving the quality and lowering the cost of healthcare delivery, *HealthNet* and Iowa Health System are working to improve the lives of all Iowans

We believe in the vision, goals and benefits **of** *HealthNet* and look forward to working with Iowa Health System to make this vision a reality. By partnering with Iowa Health System and *HealthNet*, Qwest will help build the future of advanced healthcare delivery in Iowa. We encourage others to support and promote this most important initiative, and hope that you **will** join **us** in making Iowa truly a great place to live.

Respectfully,

Max Phillips Iowa President

Qwest

Exhibit 11 Major Insurance/Payor Groups

web site: www.wellmark.com



April 12,2007

Kevin J. Martin chairman Federal Communications Commission 445 12'' street SW Washington, D 20554

R E WC Docket No. 02-06

Dear Chairman Martin:

As an executive in the healthcare industry, I understand the important role information technology plays in providing the highest quality healthcare at the lowest possible cost. Iowa Health System (MS) is seeking approval for federal funding to revolutionize the manner in which healthcare is delivered in Iowa As such, we support IHS' vision for "HealthNet"—a private, exclusively medical communications network connecting doctors, patients, hospitals, clinics, pharmacists and related organizations within the medical community.

We endorse this initiative on many levels, but most notably because <u>it reuresents a possible solution to</u> <u>providing quality healthcare delivery for an aging. geographically disperse population</u>. Nationally, Iowa ranks 4th in people of 65, 2nd in people of 75 and 2nd in people over 85. Iowa has more people of the age of 75 than under the age of 5, and the average Iowa farmer is in his mid-fifties. Providing access to quality healthcare at the lowest possible cost for this unique population is a priority for Iowa, and for **Wellmark** Blue **Cross** Blue Shield.

HealthNet can allow for the efficient, cost effective delivery of healthcare to both metropolitan and rural communities throughout Iowa It can also serve as the incubator for new medical information technology including Electronic Health Records (EHR), single patient identifiers, evidence based medicine protocols and emerging tele-health initiatives. Lastly, HealthNet can help foster the development of larger, Regional Health Information Organizations (RHIOs) capable of providing similar benefits to an even greater population.

We hope you **share** this vision for Iowa, and for this innovative method of healthcare delivery. Most importantly, we hope you will show your support by approving the funding request submitted by Iowa Health System.

Respectfully,

Peter W Roberts

Group Vice President

Provider Relations & Health Management



April 13, 2007

Dan Kueter, President
UnitedHealthcare, lowa and Central Illinois
1300 River Drive SUR 200 Moline, IL 61265
Phone: 309-736-4556 Fax. 888-250-1758
Email dan_kueter@uhc.com

Kevin J Martin Chairman Federal Communications Commission 445 12th Street SW Washington, **D** 20554

WC Docket No. 02-06

Dear Chairman Martin:

As an executive in the healthcare industry, I understand the important role information technology plays in providing the highest quality healthcare at the lowest possible cost. Iowa Health System (IHS) is seeking approval for federal funding to improve the manner in which healthcare is delivered in Iowa. As such, we support IHS' vision for "HeathNet"—a private, exclusively medical communications network connecting doctors, patients, hospitals, clinics, pharmacists and related organizations within the medical community

We endorse this initiative on many levels, but most notably because <u>it represents a possible solution</u> to <u>providing quality healthcare for an aging, geographically dispersepopulation</u>

Nationally, lower ranks 4" in people of 65, 2nd in people of 75 and 2nd in people over 85. Iowa has more people of the age of 75 than under the age of 5. Providing access to quality healthcare at the lowest possible cost for this unique population is a priority for lowa, and for United Healthcare.

HealthNet will allow for the efficient, cost-effectivedelivery of healthcare to metropolitan and rural communities throughout lowa. It may also serve as the incubator for new medical Information technology including Electronic Health Records (EHR), single patient identifiers, evidence-based medicine protocols and emerging tele-health initiatives. Lastly, HealthNet could help foster the development of larger, Regional HealthInformation Organizations (RHIOs) capable of providing similar benefits to an even greater population.

We hope you share this vision for lowa, and for the improvements in healthcare delivery that this system will support. Most Importantly, we hope you will show your support by approving the funding request submitted by Iowa Health System.

Respectfully,

Daniel Kueter



April 11, 2007

Kevin J. Martin, Chairman Federal Communications Commission 445 - 12th Street SW Washington, DC 20554

RE WC Docket No. 02-06

Dear Chairman Martin

As an executive in the health care industry, I understand the important role information technology play? In providing the highest quality health care at the lowest possible coat. Iowa He Ith System (IHS) is seeking approval for federal funding to revolutionize the manner in which health care is delivered in Iowa. As such, we support IHS' vision for "HeathNet"—a private, exclusive medical communications network connecting doctors, patients, hospitals, clinics, pharmacists and related organizations within the medical community

We enderse this initiative on many levels, but most notably because <u>trepresents the best possible</u> <u>solution to providing quality health care delivery for an aging, geographically disperse population</u>
Nationally, Iowa ranks 4th in people of 65, 2nd in people of 75 and 2nd in people over 85 Towa has more people over the age of 75 than under the age of 5, and the average Towa farmer is in his mid-50s
Providing access to quality health care at the lowest possible cost for this unique population is a priority for Iowa and for Coventry Health Care of Iowa, Inc.

HealthNet will allow for the efficient, cost-effective delivery of health care to both metropolitan and rural communities throughout Iowa. It will also serve as the incubator for new medical information technology including Electronic Health Records (EHR), single patient identifiers, evidence based medicine protocols and emerging tele-health initiatives. Lastly, HealthNet helps foster the development of larger, Regional Health Information Organizations (RHTOs) capable of providing similar benefits to an even greater population.

We hope you share this vision for **Iowa** and for this innovative method of health care delivery More importantly, we ask that you approve the funding request submitted by Iowa Health System.

Sincerely

Michael W. Teachout Chief Executive Officer

MWT emid

ee.

Duncan Gallagher, Executive Vice President & COO lowa Health System

Coventry Health Care of Iowa, Inc 4320-114th Street • Drbandale, IA 50322 Tel: 515-225-1234 • Tel: 800-470-6352 • Fax: 515-223-0097



April 11,2007

Revin J. Martin, Chairman Federal Communications Omission 445 12th Street, SW Washington, DC 20554

fie: WC Decket No. 02-06

Dear Chairman Martin:

As an executive in the healthcare industry, I understand the important role information technology plays in providing the highest quality healthcare at the lowest possible cost. Iowa Health System (IHS) is seeking approval for federal funding to revolutionize the manner in which healthcare is delivered in Iowa. As such, we support IHS' Vision Far "HeathNet"—a private, exclusively medical communications network connecting doctors, patients, hospitals, clinics, pharmacists and related organizations within the medical community.

We endorse this initiative on many levels, but most notably because <u>it represents the best possible solution to providing quality healthcare delivery for an aging, geographically disperse populat on Nationally, Iowa ranks 4" in people of 65, 2nd in people of 75, and 2" in people over 85. Iowa has more people of the age of 75 than under the age of 5, and the average Iowa farmer is in his mid-lifties. Providing access Io quality *healthcare* at the lowest possible cost for this unique population is a pnonty for Iowa, and for Principal Financial Group.</u>

HealthNet will allow for the efficient, cost effective delivery of healthcare to both metropolitan and rural communities throughout Iowa. It will also serve as the incubator for now medical mformation technology including Electronic Health Records (EHR), single patient identifiers, evidence based medicine protocols and emerging tele-health initiatives. Lastly, HealthNet helps foster the development of larger, Regional Health Information Organizations (RHIOs) capable of providing similar benefits to an even greater population.

We hope you share this vision for Iowa, and for this innovative method of healthcare delivery. Must importantly, we hope you will show your support by approving the funding request submitted by Iowa Health System

Respectfully

Senior Vice President - Health Principal Financial Group

Phone' 515-235-5474
Fax: 515-235-9761

. Jury

Email: jury.carey@principal.com